

# Delaware Becomes Sixth Largest Captive Insurance Domicile

**Insurance Commissioner Karen Weldon Stewart Announces Continued Growth In Delaware's Captive Program**

Dover, DE—Despite facing increased competition due to the growing number of captive insurance domiciles, Delaware grew its number of captive insurers in 2013. The year-end 2013 numbers are 298 licensed captives with 266 being active. As of year-end 2012, Delaware had licensed 212 captive insurers with 192 being active. Delaware experienced a 40 percent increase in licensed captives in 2013. Commissioner Stewart noted, ***“Delaware service providers, such as attorneys and accountants, are providing services to the captive industry at a greater rate than at any other time in the department's history. This shows that the captive bureau is meeting, and even exceeding, its statutory mission of expanding economic development.”***

According to Steve Kinion, director of the captive bureau, the growth resulted from industry's recognition that Delaware is a premier captive domicile. Kinion stated, ***“In 2012 Delaware was the world's 10th largest and 3rd largest U.S. domicile. While we remain the third largest U.S. domicile, our global reach and presence has significantly increased.”*** Commissioner Stewart added, ***“One of the attributes of domiciling in Delaware is that captive insurers can take advantage of Delaware's premier entity laws. No other jurisdiction integrates business and corporate laws with alternative risk transfer like Delaware.”***

Captive insurance companies, which are owned by the entities that they insure, are usually formed by businesses that wish to better manage the cost and administration of their

insurance coverage. In 2005, the Delaware General Assembly passed House Bill 218, modernizing Delaware law regarding the formation of captives and positioning Delaware to become a home to the growing number of captive insurance companies being created by companies worldwide. Delaware's sophisticated corporate laws, judiciary and financial infrastructure make it the preeminent jurisdiction for business. These benefits are extended to captive insurance companies through the Delaware Captive Insurance Program.

For more information about Delaware's captive insurance program visit <http://captive.delawareinsurance.gov/>

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Delaware Department of Insurance: "Protecting Delawareans through regulation and education while providing oversight of the insurance industry to best serve the public."